

## 2007 Short Term Legislative Package for Access for All Kansans

**Early detection and screening for newborns.** Expands screening for newborns from our current level of four tests to twenty-nine. This effort represents a true and meaningful step in the direction of early diagnosis and early intervention that will pay immeasurable benefits in future years.

*FY 2008 SGF: \$191,000; All Funds: \$1,189,942*

Recent Action: Funded in the Governor's budget. Passed the House on March 16, 2007, added \$1,200,000 to pay for newborn screens for both private and public health insurance programs.

**Medicaid outreach and enrollment expansion.** Expands the marketing of programs available to the public in order to educate Kansans about the HealthWave program and about health and wellness by: (1) designing an online application and screening tool for potential beneficiaries, (2) developing and implementing a targeting marketing campaign and (3) employing additional outreach workers.

*FY 2008 SGF: \$336,247 (FY 2008) All Funds: \$ 822,112 (FY 2008)*

**Consider Deficit Reduction Act (DRA) Flexibilities.** Supports the opportunities provided through the DRA to allow moving waiver services into the Medicaid state plan, designing benchmark benefit packages with more cost sharing, and exploring innovative reform models through Medicaid Transformation Grants.

Recent Action: The Kansas Medicaid program has received a Medicaid Transformation grant for \$910,000 which will combine predictive modeling with training by KU clinicians to assist case managers in coordinating preventative care for disabled Medicaid beneficiaries with the goal of improved health outcomes. We have also submitted a Long Term Care Partnership grant together with the Kansas Department of Insurance. Premium assistance described below is included in the package. Other DRA flexibilities will be explored in broader health reform as outlined the enabling legislation.

**Promoting price and quality transparency.** Promotes transparency for Kansas consumers and purchasers through a two phased approach that collects data currently available in one convenient location (through KHPA and State libraries), and then adds health care pricing and quality data (as determined by the KHPA Data Consortium – comprised of providers, consumers, and purchasers). This kind of information will also help to reduce utilization of care that is not evidence-based or is of questionable quality, which can serve to reduce overall health care costs.

*SGF: \$425,682 (FY 2008) All Funds: \$543,790 (FY 2008)*

**Increasing Health Information Technology/Health Information Exchange (HIT/HIE).** Building on the work of the Health Care Cost Containment Commission (H4C) and the KHPA, the state will develop and establish an "Implementation Center for HIE" in Kansas through a public/private entity in order to have a single

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State Employee Health  
Benefits and Plan Purchasing:  
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State Self Insurance Fund:  
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coordination point for Kansas HIE efforts.

*SGF: \$750,000 (FY 2008) All Funds: \$1 M (FY 2008)*

### **Cover Kansas Pregnant Women, Children and/or Low Income Families through Premium Assistance.**

Creates a phased-in premium assistance program in order to help low income uninsured families in Kansas to purchase private health insurance, either through their employer or through state procured health insurance plans. Research suggests that better health outcomes are associated with all family members receiving access to care or health insurance through the same plan, and thus, have a “medical home”. Although children in Kansas are eligible for Medicaid and/or the State Children’s Health Insurance Program up to 200 percent of the federal poverty level (FPL), Kansas currently has one of the lowest rates of Medicaid eligibility in the nation for poor parents (less than 38 percent of the FPL). Premium assistance in Kansas will be phased in over four years, with a “legislative trigger” after the first two years to evaluate the program and ensure that funding is available.

#### **Premium Assistance options this session:**

- Competitively bid state-procured health plans: For low income uninsured families, Medicaid (state and federal share) would pay for premiums for state-procured private health insurance to be offered to low income children and their parents. Because children eligible for Medicaid are required by federal law to receive certain services, the private insurance plans would be supplemented by “wrapping around” private health insurance coverage with fee-for-service Medicaid.
- Employer-sponsored insurance (ESI) buy-in: For low income uninsured parents who have access to employer sponsored private health insurance, Medicaid would pay the employee share of the health insurance premium for families and then “wrap around” children’s coverage with fee for service Medicaid.

#### **Reduces the number of uninsured Kansans**

- Phases-in health insurance coverage to families with Medicaid-eligible children, beginning with those families who are already eligible for Medicaid (i.e. those at approximately 37% of the federal poverty level)
- Creates a “medical home” for families because premium assistance brings parents and children into the same private health plan
- Protects health care benefits currently offered to children

#### **Expands private health insurance coverage**

- Expands coverage solely through private health plans, promoting competition in the health insurance marketplace
- Increases health plan choices available to low-income families, similar to the State Employee Health Benefits Plans (includes HSA)
- Puts Medicaid benefits for parents on a par with privately-insured families
- Prepares the way for further reforms to improve markets and expand health insurance coverage
- Can be used to incentivize health promotion and disease prevention within private plans
- Can be “phased in” over three or four years to dovetail with additional health insurance market reforms, such as a health insurance connector.

#### **Leverages federal dollars toward broader health reform**

- Draws in federal matching funds and takes advantage of Deficit Reduction Act Flexibilities – giving Kansas an opportunity to “catch up” with other states in terms of federal support for increasing access to health care
- Together with increased transparency of health care cost and quality as well as information technology, can create partnerships with the US Department of Health and Human Services

***Cost and Coverage Options Under a Premium Assistance Plan – these are preliminary estimates only***

<b>Phase-In</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b><i>FULL PHASE IN</i></b>
<b>Percent of Federal Poverty Level (FPL)</b>	<b>Ramp up (Those under 37% FPL)</b>	<b>Under 50% FPL</b>	<b>50-74% FPL</b>	<b>75-99% FPL</b>	<b><i>Total under 100% FPL</i></b>
Number of parents covered	N/A	8,500	7,000	8,500	<i>24,000</i>
Estimated administrative costs	\$ .5M	\$1.5M	\$2M	\$2.25M	\$2.25M
SGF: Premium costs		\$11M	\$9M	\$11M	<i>\$31M</i>
Federal Matching Funds		\$16M	\$14M	\$16M	<i>\$46M</i>
Total Costs		\$27M	\$23M	\$27M	<i>\$77M</i>